

Announcement for Local Programs Procedures 15-02 “Invoicing” 02/13/2015

Announcement:

Local Programs Procedures (LPP) 15-02 LAPM Chapter 5 Invoicing has been posted to the Division of Local Assistance Website at:

<http://www.dot.ca.gov/hq/LocalPrograms/lpp/lpp1r1.htm>

Background:

Three significant policy and procedural changes have been introduced in recent years that impact Chapter 5 of the LAPM:

- 1) progress invoice reviews by the district local assistance engineers;
- 2) establishment of federal pro rata/lump sum at the time of federal authorization;
- 3) Caltrans risk- based indirect cost allocation plan (ICAP) audit process.

This LPP updates LAPM Chapter 5 to include and further refine these existing policies and procedures.

Change:

This LPP incorporates these recent policy and procedural changes into the LAPM:

- 1) The invoice review procedures documented in the Division of Local Assistance Office Bulletin (DLA-OB) 14-05 Risk-Based Invoicing along with refinements to those procedures;
- 2) The pro rata or lump sum method described in DLA-OB 13-01 Establishment of Pro Rata/Lump Sum; and,
- 3) The risk-based Indirect Cost Allocation Plan (ICAP) procedures introduced by Caltrans Audits and Investigations in 2012.

Clarity, additional information, and other refinements were added to the accounting, audits and invoicing portions of Chapter 5 as well.

Impacts:

This OB applies to all local agency federal-aid transportation projects off the State Highway System. DLA-OB 14-05 Progress Invoice Reviews expires with the issuance of this LPP and DLA-OB 13-01 Pro Rata/Lump Sum no longer impacts LAPM Chapter 5.

Contact:

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